

Pat Quinn
Governor



Jay Rowell
Director

Employment Security Advisory Board Meeting
Friday, September 12, 2014
Minutes

Attendees:

Springfield: Tim Drea

Telephone: Jim Argionis
John Bouman
Kathleen Dudley
Tony Garcia
Rob Karr
Diane Morgan
William Potts

Absent: Greg Baise
Hanah Jubeh
Kim Maisch
Michael Simmons

With a quorum of the members present, the meeting was called to order by Chairman Jim Argionis.

Agenda:

- Minutes of the meeting held June 27, 2014, were approved.
- Jay Rowell; Director's Comments:
IDES Budget – Federal administrative funding for IL's unemployment insurance program, which constitutes the vast majority of IDES's budget, dropped by more than 27 percent from fiscal year 2009 to 2015. Federal administrative grants for the state's employment service – the second highest source of federal funds, have declined by almost six percent since program year 2009. However, due to recent cost saving measures, including recent office consolidations, the Department expects to continue living within its means without the need for staff cutbacks.

Unemployment Claim Loads – The current four-week moving average of weekly continuing claims under the state's regular unemployment-benefit program (120,881) is currently below the comparable average for not only the period of the Great Recession and early recovery (189,182), but also the period prior to the Great Recession (123,308).

Workforce Opportunity and Innovation Act – Following up on comments from last quarter's report, Congress passed the Workforce Innovation and Opportunity Act by wide bipartisan margins, and the President has now signed the measure. The legislation revises and reauthorizes the workforce development system established by the federal Workforce Investment Act. It retains categorical funding for state employment service programs – one of IDES's longstanding congressional priorities.
- Employment Services:
Grant Applications (Anne Szkatulski) - IDES has recently begun applying for a variety of state, federal, and private grants, including the US DOL's "Ready to Work" Grant and two Trade Adjustment Assistance Community College and Career Training (TAACCCT) grants, in partnership with two consortia of community colleges. The goal of many

of these grants is for our workforce partners – whether LWIBs, community colleges, or otherwise – to leverage IDES’s data, outreach programs, and employment services to the benefit of the communities they serve.

Business Outreach (Gideon Blustein) - IDES provides customized recruiting and workforce solutions to employers of all sizes and believes that recent changes at the federal level have created greater opportunities for IDES to partner with federal contractors that are hiring in Illinois. A brief update on the changes and upcoming employer outreach events was provided.

IllinoisJobLink.com (Crystal Caison) - IllinoisJobLink.com can be a valuable resource through which employers and jobseekers find each other online. A demonstration was provided that showcased new tools within IllinoisJobLink.com that help jobseekers create a resume via a Resume Builder and optimize their resume for specific jobs via Resunate (to help get through applicant tracking systems used to screen out resumes). Resunate rolled out the week before the ESAB meeting, and 700 people had already used it to optimize their resume.

- George Putnam; Quarterly Financials Presentation:

Unemployment Trust Fund Projections –Factoring in more than \$1.5B in proceeds from the 2012 issuance of unemployment insurance bonds, the state’s UTF account ended calendar year 2013 with a positive balance of \$1B and is projected to end calendar year 2014 with a positive balance of \$1.42B. Year-end balances are projected to increase through 2018 – when the balance will peak at \$2.83B – and drop only slightly in 2019 – the extent of the forecast horizon.

- Linda DeMore; Master Bond Fund Report

On 7/31/2012, \$1.6B in bond proceeds, net of premium and underwriters’ discount, were deposited into the MBF upon closing of the Series 2012 Bonds. A little over \$1.5B was used to repay outstanding federal advances to the UTF account and establish a surplus in that account. On 6/16/2014, an interest payment of \$30M was made and \$172M in bonds were redeemed. As of 6/16/2014, total outstanding bond indebtedness stood at just over \$1B.

- **Discussion (2014 Ethics Training)** – Board members must complete the 2014 annual ethics training for appointees under the Office of the Governor, as administered by the Office of the Executive Inspector General, by 12/31/2014.

Motion to adjourn was made and seconded. The meeting adjourned.